INFORMATION LETTER

Not for Publication — **NATIONAL CANNERS ASSOCIATION** — For Members Only

No. 1328 — Washington, D. C. — March 17, 1951

Set-Asides on 1951 Pack May Be Announced Soon

A set-aside program on canned fruits and vegetables from the 1951 pack may be announced soon by the U. S. Department of Agriculture. USDA is working on plans for such a program.

A report on the current procurement situation is given in a letter sent this week to all fruit and vegetable canners. This letter is reproduced on page 151.

The subject of set-asides may be on the agenda for discussion by the USDA Fruit and Vegetable Canners' Advisory Committee at its first meeting, which has been scheduled March 22-23. Story on page 151.

N.C.A. Files Statement At Farm Labor Hearings

Congressional committee consideration of S. 984 and H. R. 3048 and other measures to implement the use of foreign and off-shore agricultural workers this coming season continued during the week. The House Committee on Agriculture concluded hearings on Tuesday, March 13, and the Senate Committee on Agriculture opened hearings the same day. The Senate Committee also held hearings on March 14, 15, and 16.

In conformity with recommendations adopted by the Manpower group of the N.C.A. War Mobilization Committee, Chairman John F. McGovern submitted, on March 16, the following suggestions to the House and Senate Agriculture Committees, with reference to labor supply proposals now under consideration by these Congressional bodies:

Statement of the National Canners Association With Respect to S. 984 and H. R. 3048

The following statement is presented by the National Canners Association and expresses the sentiments of its members with respect to legislation proposed in S. 984 and H. R. 3048 relative to the importation of foreign and off-shore workers for employment in agriculture. The National Canners Association is a non-profit trade association of about 1,000 members oper-

(Please turn to page 153)

NPA Authorizes More Tin For Canning of Seasonal Foods

The National Production Authority on March 12 provided for increased allocation of tin for the manufacture of cans for seasonal products and set up an automatic base period provision to its container order, M-25.

Amendment No. 3 to M-8

By Amendment No. 3 to the basic tin order, M-8, the NPA permitted tinplate and terneplate manufacturers to increase their use of pig tin to 95 percent of their monthly base period use during the second quarter of 1951. All other users of pig tin are permitted 90 percent of their monthly base period use.

This action, NPA said, assures cans for the spring and summer food pack.

NPA also indicated that the percentages of permitted use of tin in manufacture would be dropped back to about 80 percent or less in the third quarter.

Amendment No. 3 also designated the Reconstruction Finance Corporation as the sole importer of tin in the United States. This follows the decision by the U. S. government, announced March 6 by the General

(Please turn to page 150)

Deadline for Applications For Necessity Certificates

Canners planning to file application for necessity certificates, permitting accelerated tax amortization, should bear in mind the important deadline date of March 23.

Section 124A(e)(1) of the Internal Revenue Code, enacted September 23, 1950, provides that applications must be filed

"before the expiration of six months after the beginning of such construction, reconstruction, erection, or installation or the date of such acquisition, or before the expiration of six months after the date of enactment of the Revenue Act of 1950, whichever is later."

The regulation issued by the National Security Resources Board pur-

(Please turn to page 151)

Unlimited Supply of Cans For Pack of Seasonal Foods

NPA Order M-8 allocates tin to tinplate mills and other users. NPA Order M-25 provides for use of this tinplate by canners and other can users. Under M-8, as amended January 27, tinplate mills received for February and March of this year 80 percent of their 1950 usage, but they could not make enough cans from this allotment to fill the orders permitted under M-25 and other control orders.

This inconsistency could have been solved by either raising the allotment under M-8 or by reducing the amount of tinplate which could be used under M-25 and other orders. Amendment 3 to M-8, issued March 12, increased the 80 percent allotment for the manufacture of tinplate to 95 percent of 1950 usage.

This increase, however, still did not provide sufficient tin for the second quarter to manufacture the cans permitted under M-25 and at the same time provide the tinplate that the government proposed to export. NPA has therefore authorized tinplate manufacturers an additional quota of tin sufficient to produce the plate to be exported during the second quarter.

By authorizing the manufacture of

(Please turn to page 153)

Renegotiation Bill Passed

The House and Senate on March 12 adopted the compromise version of H. R. 1724, the proposed "Renegotiation Act of 1951." The bill thus was cleared for the President. An analysis of the measure has been prepared by Association Counsel and is reproduced on page 152.

DEFENSE

DPA Organization and Staff For Controlled Materials Plan

The organization and personnel of DPA's Office of Program and Requirements, which will administer the Controlled Materials Plan, were announced March 12 by William H. Harrison, administrator of the Defense Production Administration.

Charles E. Wampler of New York City is responsible to Mr. Harrison for the central programming functions of DPA. These functions, according to an announcement, include:

"1. Analysis of over-all data on requirements and resources.

"2. Program evaluation and the authorization of programs to meet defense production needs as well as essential civilian requirements.

"3. Allocation of resources to support approved programs.

"4. Identification of deficiencies in the supplies of materials and other resources and the recommendation of programs for the more efficient utilization of available resources and for the expansion of resources."

Mr. Wampler is on leave from the American Telephone and Telegraph Company. He served from 1941 through 1945 with the Office of Production Management, the WPB, and the Army.

Under Mr. Wampler's direction will be a Planning Staff, a Program Accounting Staff, an Energy and Utilities Division, a Transportation Division, a Community Services and Facilities Division, a Manpower Division, a Program Requirements Staff, a Material and Products Division, a Military Requirements Division, a Foreign Requirements Division, and a Civilian Requirements Division.

Named to be Assistant Directors, under Mr. Wampler, are:

Melvin Anshen, professor on leave from the University of Indiana; with WPB, 1942-46;

George H. Lilygren, vice president of the Carrier Corporation; formerly assistant controller of Briggs Manufacturing Co., Detroit; and

J. J. Scanlon, assistant comptroller of the Bell Telephone Co. of Pennsylvania; formerly with WPB.

The Planning Staff is headed by Glenn McLaughlin, with WPB during World War II and more recently with NSRB. The Program Requirements Staff is headed by Robert E. Johnson, who also served in WPB.

Wage Stabilization Orders

The Economic Stabilization Agency on March 8 added two new regulations and one modification to the list of orders controlling permissible wage-salary increases (see INFORMATION LETTER of March 10, page 144). The two new regulations deal with wage schedules for new plants and "tandem" wage increases. The modification liberalizes Regulation No. 8, which permitted employers to give effect to cost-of-living escalator clauses in collective bargaining agreements.

Cost of Living Increases

Regulation No. 8 permitted wage and salary increases in excess of the 10 percent limitation prescribed by Regulation No. 6, when such increases were put into effect pursuant to "cost-of-living escalator clauses" of collective bargaining agreements. Regulation No. 8 required that the contract establish a defined relationship between the rates of compensation covered by the agreement and the cost-of-living index figure published by the Bureau of Labor Statistics.

The modification permits such cost-of-living wage correlations to be given effect not only when called for by collective bargaining agreements but also when a written wage or salary plan, formally determined and communicated to employees on or before January 25, 1951, so provides. Cost-of-living indexes other than that published by the Bureau of Labor Statistics may also be employed when approved by the Administrator.

Wage Schedules for New Plants

Regulation No. 9 clarifies the method of determining wage and salary levels in new plants that begin operations after January 25. If a company already has an existing plant and opens another in the same location, the wages in the new plant must be the same as those in the old plant. If the company has no existing plant in the same location, wages paid to employees in the new plant must reflect the rates paid in the most closely comparable company in the most nearly comparable area. Plants beginning operations after April 15, 1951, are required to present their wage schedules to ESA for approval before putting them into effect.

Tandem Wage Increases

Regulation No. 10 permits wage increases in certain employee units when the wage levels of these units have, through well established and historical practice, been dependent upon and governed by wage levels of other employee units of the same employers or of other employers in the same industry or areas and wage increases have been effected prior to the freeze in these controlling employee units. The regulation declares that these tandem wage adjustments must have been in process before January 25 and that, under established practice, the adjustments would have been completed by February 9, 1951. Approval of such tandem wage increases by the Wage Stabilization Board must be obtained before such increases are put into effect.

PMA Staff Organization

Personnel changes in the Production and Marketing Administration, USDA, have been announced by Ralph S. Trigg, Administrator, as follows:

Roy W. Lennartson, who has been serving as Deputy Assistant Administrator for Marketing, has been appointed Director of the Office of Materials and Facilities.

L. B. Taylor, formerly Director of OMF, has been named Director of the Agricultrual Conservation Programs (ACP) Branch.

Alvin V. McCormack, former Director of the ACP Branch, returns to Idaho as chairman of the PMA State Committee.

NPA Authorizes More Tin

(Concluded from page 149)

Services Administration, to suspend government purchases of tin for stockpiling and to hold purchases for industrial use "to the barest minimum."

Direction 1 to Can Order, M-25

Direction 1 to M-25 sets up three "automatic" base period adjustment provisions for canners of foods and other products under packing quotas.

Many of the applications for adjustment of the base period represent problems common to the industry, NPA said, and Direction 1 permits all packers to make their own readjustments in the following three cases:

1. Where the base period is inapplicable because a particular product was not packed during the base period, or was packed during only a part of the base period.

2. Where the base period is inapplicable because the pack of a certain product during the base period was less than the customary volume of packing of that particular product.

3. Where there were shutdowns of more than 15 consecutive days during the base period.

Direction 1 to M-25 has been reproduced by the N.C.A. and is being mailed as a Supplement to this issue of the INFORMATION LETTER.

USDA Fruit and Vegetable Canners Advisory Committee

Membership of the Fruit and Vegetable Canners' Advisory Committee, "which will consult with the Department on special problems arising from the defense program," was announced March 8 by Secretary of Agriculture Charles F. Brannan.

Membership of the Committee is listed in the INFORMATION LETTER of February 28, page 125.

The announcement by Secretary Brannan stated:

"The Committee, made up of representatives of all segments of the fruit and vegetable canning industry, will be under the chairmanship of S. R. Smith, Director of the Fruit and Vegetable Branch of the Production and Marketing Administration. Floyd F. Hedlund, deputy director of the Branch, will serve as vice chairman of the Committee. The meetings, first of which will be held in the near future, will be called by the chairman.

"The Committee will advise on processing facilities, container needs, materials and supplies, manpower, and any necessary set-asides or other matters associated with the defense emergency."

Necessity Certificates

(Concluded from page 149)

suant to Section 124A of the Code states at Section 600.3(2):

"Applications for Necessity Certificates for facilities upon which construction, reconstruction, erection or installation was begun or which were acquired on or before September 23, 1950, *must be filed on or before March 23, 1951.*"

Under the World War II amortization act, a number of companies were unable to obtain necessity certificates because they did not file timely applications and protective applications covering changes in facilities and costs included in prior applications. It was necessary to file protective applications before each deadline to blanket coverage of facilities overlooked or changes in facilities and costs. Facilities cannot be certified unless a timely application is on file. Accordingly, it is important for companies to get full protection by filing pro forma protective applications not only before March 23, 1951, but also at intervals in order to meet the six months' deadlines referred to in the statute.

PROCUREMENT

Text of Procurement Letter to Fruit and Vegetable Canners

Following is the text of the letter sent to all fruit and vegetable canners on March 14 by Carlos Campbell, Secretary-Treasurer of N.C.A., and Fred C. Heinz, chairman of the N.C.A. War Mobilization Procurement Committee:

To All Fruit and Vegetable Canners:

A mutual understanding of problems and cooperative effort can produce astounding results. This was demonstrated on March 12 when the joint N.C.A. War Mobilization Procurement Committee and the Quartermaster Association Fruit and Vegetable Committee met with Major General Herman Feldman, The Quartermaster General, in a meeting that reviewed the current emergency procurement activity of the Army.

On February 15 the Quartermaster had an unprocured balance from 1950 packs totaling 203,100,000 pounds of canned vegetables and 134,000,000 pounds of canned fruits and juices. Canning industry response to the appeal for canned foods made at the Convention by Brig. Gen. Busch and the supporting letters mailed from this office under date of February 26 and March 5 resulted in procurement of 99,900,000 pounds of canned vegetables and 76,700,000 pounds of canned fruits and juices, despite the fact that canners' stocks were already heavily sold. The Quartermaster General, at great administrative difficulty, has temporarily changed the Army's feeding program to accommodate substitutes for canned foods to the extent of 71,100,000 pounds of vegetables and 47,800,000 pounds of fruits and juices. It is the Army's first choice to use canned vegetables, fruits, and juices whenever these commodities are available and it is with great reluctance that the Quartermaster General has authorized the use of substitute foods. In addition, requests for substantial quantities of canned fruits and vegetables have been cancelled by components of the Armed Services.

The contributions of several hundred canners, the use of substitute commodities, and the cancellation of certain quantities of canned items have together reduced the emergency canned food requirements to 67,000 cases of peas, 584,000 cases of tomatoes, 65,000 cases of canned corn (cream style preferred) and 84,400 cases of peaches; a total of 23,300,000 pounds of canned fruits and vegetables.

It is an astounding result that since February 15 canned foods needed by the Armed Services from 1950 packs in the amount of 338,000,000 pounds have been reduced to 23,300,000 pounds. But the job is not finished and let not astounding results keep us from fulfilling the Quartermaster's requirements of 1950 canned foods.

Corn, peas, tomatoes, and peaches will be accepted by the Quartermaster in any amount from a truck load to carload lots. Grade, can size, and other normal purchase specifications will be waived by the Quartermaster when necessary. Please take a final look in your warehouses and offer the Chicago or Oakland offices of the Quartermaster General every single case possible of these vitally needed items. Be patient, should you not receive an immediate acknowledgment from the Quartermaster. His purchasing officers have been swamped and although they have kept their records up to date with the offers that have been made, they have not been able to give prompt acknowledgments.

The Quartermaster General has acknowledged the fine job industry has done during this emergency period and has expressed the hope and desire that we will be able to complete the procurement of the remaining quantities of fruits and vegetables in the shortest possible time so that the N.C.A. Procurement Committee can devote all of its time to the problems of the 1951 procurement program. Requirements for 1951 broken down as to can size, grade, and style of pack preferences and amounts desired in export boxes will be announced shortly by the Quartermaster General. In addition, it is contemplated that the Department of Agriculture will announce a 1951 set-aside program on canned fruits and vegetables within the next few weeks.

Call for 1951 Directory Copy

Although approximately 70 percent of the questionnaire forms for the 1951 *Canners Directory* have been received at Association headquarters, and listings have been changed according to canners' corrections, compilation of copy is being delayed by the absence of listings not yet received.

Listings cannot be completed except for states having small numbers of canning firms. Compilation of listings for the large and important canning states cannot be completed.

It is requested, therefore, that canners still holding questionnaire forms return them to N.C.A. immediately.

CONGRESS

Analysis of the Renegotiation Act of 1951

Following is an analysis of H. R. 1724, the "Renegotiation Act of 1951," as sent to the President, indicating in outline the extent to which canners' contracts with government agencies will be affected:

General

The new bill follows closely the pattern of World War II renegotiation legislation, with a few major and minor changes. In general, the more stringent House-approved provisions were eliminated in conference.

Coverage

Renegotiation is made applicable to all receipts or accruals after January 1, 1951, from contracts subject to renegotiation, provided such receipts or accruals are attributable to performance after June 30, 1950. Contracts and subcontracts thereunder subject to renegotiation have been extended to include those with all the principal federal buyers—the Army, Navy, Air Force, the Departments of Defense and Commerce, the General Services Administration, the Atomic Energy Commission, the Reconstruction Finance Corporation, the Canal Zone Government, the Panama Canal Company, the Housing and Home Finance Company, and such other government agencies exercising functions having a direct and immediate connection with the national defense program as the President shall designate. The Renegotiation Board, however, may determine that certain contracts with these agencies do not have a direct and immediate connection with the national defense, and in such cases the contracts will not be subject to renegotiation.

Excessive Profits

Amounts which may be recaptured by the government pursuant to renegotiation proceedings are limited to "excessive profits." The new bill, of necessity, fails to spell out precisely what portion of the profits derived from contracts and subcontracts with the government may be determined as excessive. Factors which must be considered, however, by the Renegotiation Board, include the efficiency of the contractor; economy in the use of materials, facilities and manpower; reduction of costs; relation of costs and profits to volume of production, normal earnings, and comparison of war and peacetime products; net worth; the risk assumed; the nature and extent of the contractor's contribution to the defense effort; the character of the contractor's business; and any other factors which the public interest and fair dealing requires.

Amount Subject to Renegotiation

Contractors and subcontractors become subject to renegotiation only when their receipts or accruals from renegotiable contracts in their fiscal year exceed $250,000. This figure represents a compromise between the Senate-approved minimum or "floor" of $500,000 and the House-approved floor of $100,000. The Renegotiation Board is also prohibited from recapturing profits in an amount which will reduce the contractor's or subcontractor's total income from renegotiable contracts to less than $250,000 in the fiscal year.

It should be noted that the new measure fails to include an exemption for individual contracts for amounts less than a prescribed minimum. This differs from the existing renegotiation law, which excluded all contracts or subcontracts in amounts less than $1,000.

Mandatory Exemptions

The bill provides that profits derived from certain contracts and subcontracts with government agencies or departments shall not be counted in determining amounts subject to renegotiation. Among these are contracts or subcontracts for an agricultural commodity in its raw or natural state, or if the commodity is not customarily sold and has not an established market in its raw or natural state, in the first form or state beyond the raw or natural state in which the commodity is customarily sold or in which it has an established market. Thus, government contracts for unprocessed fruits, vegetables and fish remain exempt from renegotiation.

Since this provision would otherwise discriminate against processors who grow their own agricultural commodities or catch their own fish, the bill directs the Renegotiation Board to prescribe regulations which will grant to such canner-growers or other vertically integrated processors a cost allowance substantially equivalent to the amount which they would have realized of they had sold the raw material in its raw or natural state. The effect of this cost allowance provision will be to eliminate from profits subject to renegotiation those profits attributable to the growing phases of an integrated operation.

Permissive Exemptions

The Renegotiation Board has been given authority in its discretion to exempt any contracts or subcontracts (1) to be performed outside of the United States or in Alaska, or (2) where profits can be reasonably determined when the contract price is established, or (3) where performance is required during a specific period and adequate contract provisions protect against excessive profits, or (4) where secrecy is necessary in the interests of national security and would be jeopardized, or (5) where it is not administratively feasible to determine and segregate profits attributable to activities not subject to renegotiation.

The Board, as in the 1943 and 1948 Acts, may exempt these contracts both individually and by general classes or types.

Carry-Overs

A new feature in renegotiation legislation permits losses on renegotiable business sustained in one year to be credited as an item of cost in the succeeding year. This carry-over privilege, however, is good for only one year, and the loss must not be attributable to the "gross inefficiency" of the contractor.

Renegotiation Board

The Renegotiation Board is to be composed of five members to be appointed by the President with the advice and consent of the Senate. The Secretaries of the Army, the Navy, and the Air Force are each to recommend one civilian for the Board, and the General Services Administrator is to recommend a fourth.

Renegotiation Procedure

The procedure follows the pattern prescribed by the 1943 Act, including review of the Board's order by the Tax Court. The Board is to attempt initially to work out an agreement with the contractor on the amount of excessive profits to be returned to the government. If no agreement can be reached, the Board makes its own determination. The contractor can file a petition with the Tax Court of the United States for a redetermination of the amount due if he disagrees with the finding of the Board.

Where excessive profits have been determined by order of the Board, interest is due on the amount of the refund at a rate of 4 percent. Likewise, where an amount collected by the government for excessive profits is later determined by the Tax Court not to be excessive, interest at 4 percent is due the contractor or subcontractor.

Termination Date

The provisions of the Renegotiation Act of 1951 are not to apply to receipts or accruals attributable to performance taking place after December 31, 1953.

Unlimited Supply of Cans

(Concluded from page 149)

export plate ex-quota, and thus permitting all of the 95 percent allotment to be used for the manufacture of cans, closures, etc., under the provisions of M-25 and other orders, it is believed that quotas for can usage, as provided in M-25, will not have to be reduced at least for the second quarter.

Farm Labor Supply Bills

(Concluded from page 149)

ating in 46 of the 48 states and in each of the territories. Members of this Association, including both independent canning companies and cooperative canning enterprises, pack approximately 75 to 80 percent of the nation's pack of canned vegetables, fruits, juices and other commodities.

We believe that all employers of foreign and off-shore workers should be afforded like and equal consideration in whatever legislation is enacted and it is therefore respectfully suggested that:

1. The waiver of the head tax and bond, as proposed in the said bills with respect to users of imported Mexican nationals, likewise be afforded users of workers from the British West Indies and other points of foreign origin.

2. The language of S. 984 and H. R. 3048 be couched in such terms as to permit the continuation of the highly satisfactory employer to government contractual relationships presently existing with respect to the importation of British West Indies nationals, but not worded, as these bills now are, so as to foreclose the users of British West Indies nationals from the benefits of waiver of head tax, bond and other exemptions.

3. It is further proposed that the following paragraph be added to S. 984 and H. R. 3048:

"Nothing in this Act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in Section 508, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify."

This language is desirable to make it clear that the definition of agricultural employment as contained in Section 508 of the respective bills, is applicable in all cases of importation of foreign labor.

STATISTICS

Citrus Fruit Production

Total orange production for the 1950-51 season is estimated by the Bureau of Agricultural Economics at 108.2 million boxes, 4 percent above the 1949-50 crop. BAE estimates all citrus fruit production as follows:

	1948	1949	1950 Indicated
	(In thousand boxes)		
Oranges	99,720	103,535	108,150
Tangerines	4,400	5,000	4,600
Grapefruit	45,530	36,500	44,020
Lemons	10,010	11,360	12,500

Season begins with the bloom of the year shown and ends with the completion of harvest the following year.

Of the total orange crop forecast, BAE estimates Florida output at 62 million boxes, of which 27 million would be Valencias; and California production at 41.8 million boxes, of which 27.3 million would be Valencias and 14.5 million would be principally navel oranges.

Winter Spinach

Reports from spinach processors in California and Texas indicate a 1951 winter production of 64,800 tons, according to the Bureau of Agricultural Economics. This is 43 percent more than the 45,400 tons estimated for the 1950 winter crop.

Acreage of spinach to be harvested for processing in these two winter states during the 1951 season is estimated by BAE at 14,600 acres.

The March 1 indicated yield in these states is 4.44 tons per acre. Wet weather in California has been unfavorable for the crop. In Texas, an early February freeze slowed harvesting operations but cutting was resumed before the end of the month.

Peas for Processing

An increase of about 11 percent over 1950 in the planted acreage of green peas for processing is indicated for 1951, according to the Bureau of Agricultural Economics. This indicated increase over last year's planting is based on reports from processors in late February and early March giving information on the acreage that they intend to contract and plant in 1951. The indicated state acreages for 1951 are interpretations of these reports from processors, based on past relationships between such reports and the acreage actually planted.

Of the 486,240 acreages in prospect for processing this year, intentions reports indicate that 364,050 acres will be planted for canning and 122,190 acres for freezing.

State	1950 indicated (acres)	1950 revised (acres)	1951 indicated (acres)
Maine	7,200	9,030	9,800
New York	34,000	32,400	34,000
New Jersey	3,500	3,640	3,500
Pennsylvania	14,000	13,500	16,200
Ohio	3,200	2,500	3,000
Indiana	4,900	3,200	4,100
Illinois	19,000	24,500	26,460
Michigan	6,300	5,800	7,400
Wisconsin	120,000	123,000	139,000
Minnesota	47,000	52,000	60,500
Iowa	3,900	4,400	5,100
Delaware	1,800	2,000	2,900
Maryland	7,400	6,820	7,900
Virginia	1,800	1,800	2,100
Idaho	7,000	8,000	9,100
Colorado	4,200	4,100	3,800
Utah	10,500	12,300	14,400
Washington	48,500	58,600	64,500
Oregon	55,000	55,500	57,700
California	5,900	9,080	10,670
Other states [1]	4,600	3,550	3,910
U. S. Total	409,700	436,320	486,240
For freezing	91,000	106,980	122,190
For canning and other processing	318,700	329,340	364,050

[1] Ark., Ga., Kans., Mo., Mont., Nebr., Okla., Tenn., Tex., W. Va., and Wyo.

PUBLICITY

Barnes Interview Is Broadcast

The transcript of an interview with N.C.A. President H. J. Barnes, made in Chicago during the recent Convention, was broadcast March 9 on the radio program "Bob Elson on the Century" over WOR, New York City; WENR, Chicago; KNX, Los Angeles; WPEN, Philadelphia; and other local stations throughout the country.

The interview was conducted at the LaSalle Street Station, in Chicago, with the noises of station traffic as background. A recording was made for broadcast later.

In the interview, Mr. Barnes answered questions on the size, scope and production of the canning industry. He reported on the immunity of canned foods from the effects of atomic radiation because of the protective character of their containers. He mentioned the industry's current job of supplying food to the armed forces in Korea and said, "The canning industry has gone through two major wars and has done a commendable job of taking care of not only the armed forces but the civilian population. We figure we can do it again."

MEETINGS

Canning Industry Is Geared For Emergency, N.C.A. Reports

The canning industry is geared to play its part in any war or emergency in which the nation finds itself, according to declarations by N.C.A. officers at meetings of regional canning associations this week.

N.C.A. President Herbert J. Barnes spoke at the annual convention of the Northwest Canners Association on March 12. The Tri-State Packers Association's spring meeting was addressed by Vice President Fred C. Heinz, chairman of the N.C.A. War Mobilization Procurement Committee, on March 14.

Mr. Barnes pointed out that canners have helped their government win two world wars in this century. And today, through their national organization, he said, canners are making another important contribution.

Mr. Barnes at Northwest

In wartime, Mr. Barnes told Northwest canner, the canning industry is called on for all-out production of canned foods for the armed services and its fighting allies. In World War II the industry produced millions of cases of canned foods for fighting and civilian populations alike—the biggest production in canning history. Two-thirds of the food supplied our fighters went to them in cans, he said.

Canners played a leading part in the development of special rations. They changed their packaging practices to meet the critical metal shortage occasioned by Japanese seizure of important tin sources in Malaya, where tin for containers and closures originates. Canning industry laboratories led in the development of wartime types of containers and coatings, helped the Army develop a motorized field laboratory service and furnished personnel and training to operate it. The industry also played a leading role in assisting the government with manpower recruitment for both farm and factory to keep the supply of vital foods in the high production required for warring peoples.

"We have no cause to fear present emergencies, considering the strength and adaptability we possess and have demonstrated," Mr. Barnes asserted.

Mr. Heinz at Tri-State

Mr. Heinz made known the fact that in less than a month the canning industry has met the Army's need for canned foods to such an astounding degree that the requirements figure of 338,000,000 pounds sought by QMC officials on February 15 has shrunk to 23,300,000 pounds.

"This is a remarkable demonstration of how the canning industry can rise to an emergency," Mr. Heinz declared.

"I am proud of the job that has been done by this industry and I am happy to report that in the Quartermaster General and his staff the industry is blessed with men of understanding who have the desire and ability to cooperate for the good of all," Mr. Heinz asserted. "We know when fighting is going on, whether it is called a war or a police action. Too many of our men are involved in Korea to allow us to become selfish."

"The Quartermaster has acknowledged the fine job industry has done during this emergency period and has expressed the hope and desire that we will be able to complete the procurement of these remaining quantities of fruits and vegetables in the shortest possible time, so that the N.C.A. War Mobilization Procurement Subcommittee can devote all of its time to the problems of the 1951-pack procurement program."

The industry's performance, he said, is proof that industry and government can work together, particularly through the operations of a strong trade association.

"Our industry's outstanding response to the Army's request for offerings has been matched by the cooperative attitude and understanding of the Quartermaster Corps," Mr. Heinz said. "Realizing that canners' stocks were heavily sold out, in fact were in large proportion already in distributors' hands, and that packers must wait for the forthcoming canning crops before they can put more food in cans, the Quartermaster, at great administrative difficulty, has temporarily altered the feeding program to permit substitutes for canned foods in certain quantity, and to cancel other requirements.

"Although we have delivered impressively, the job is not yet finished," he continued. "Corn, peas, tomatoes and peaches will be accepted by the Quartermaster in any amount from a truckload to carload lots. He will waive grade, can size, and other normal purchase specifications, when necessary.

"Please take a look in your warehouses and offer the Chicago or Oakland offices every single case possible of these vitally needed items," was the speaker's plea.

"Requirements for 1951, broken down as to can size, grade, and style of pack preference and the amounts desired in export boxes will be announced shortly. Be ready to meet them as you have in the past."

TABLE OF CONTENTS

PAGE

Defense

NPA authorizes more tin for canning of seasonal foods 149
Unlimited supply of cans for pack of seasonal foods 149
Deadline for applications for necessity certificates 149
DPA organization and staff for controlled materials plan 150
Wage stabilization orders 150
PMA staff organization 150
USDA fruit and vegetable canners advisory committee 151

Procurement

Set-asides on 1951 pack may be announced soon 149
Text of procurement letter to fruit and vegetable canners .. 151

Congress

N.C.A. files statement at farm labor hearings 149
Renegotiation bill passed 149
Analysis of the Renegotiation Act of 1951 152

Association Activities

Call for 1951 *Directory* copy 151

Statistics

Citrus fruit production 153
Winter spinach 153
Peas for processing 153

Publicity

Barnes interview is broadcast ... 153

Meetings

Canning industry is geared for emergency, N.C.A. reports 154